

AMENDED IN SENATE MARCH 22, 2010

**SENATE BILL**

**No. 1122**

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**Introduced by Senator Wright**

February 18, 2010

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An act to amend ~~Section 10507.7~~ *Sections 10507.7 and 10516* of the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

SB 1122, as amended, Wright. Public contracts: ~~competitive bidding~~; University of California: *competitive bidding and employment*.

Existing law requires the Regents of the University of California, except as provided, to let all contracts involving an expenditure of more than \$50,000 annually for goods and materials be sold to the University of California to the lowest responsible bidder meeting specifications, or to reject all bids. Existing law also requires contracts for services to be performed, other than personal or professional services, involving an expenditure of \$50,000 or more annually to be made or entered into with the lowest responsible bidder meeting specifications, or else to reject all bids.

This bill would increase the amount for which the above contracts must meet lowest responsible bidder specifications to contracts involving an expenditure of more than \$100,000 annually.

*Existing law prohibits officers or employees of the University of California from engaging in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest if that employment, activity, or enterprise is sponsored or funded by a university department or contract, unless it is within the scope of the officer's or employee's regular university employment.*

*Existing law exempts from that section officers or employees of the university with teaching or research responsibilities.*

*This bill would also exempt student employees who receive payment for additional campus activities or engagements outside of the scope of their primary university employment.*

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 10507.7 of the Public Contract Code is  
2 amended to read:

3 10507.7. Except as provided for in this article, the Regents of  
4 the University of California shall let all contracts involving an  
5 expenditure of more than one hundred thousand dollars (\$100,000)  
6 annually for goods and materials to be sold to the University of  
7 California to the lowest responsible bidder meeting specifications,  
8 or else reject all bids. Contracts for services to be performed, other  
9 than personal or professional services, involving an expenditure  
10 of one hundred thousand dollars (\$100,000) or more annually shall  
11 be made or entered into with the lowest responsible bidder meeting  
12 specifications, or else all bids shall be rejected. If the regents deem  
13 it to be for the best interest of the university, the regents may, on  
14 the refusal or failure of the successful bidder for materials, goods,  
15 or services to execute a tendered contract, award it to the second  
16 lowest responsible bidder meeting specifications. If the second  
17 lowest responsible bidder fails or refuses to execute the contract,  
18 the regents may likewise award it to the third lowest responsible  
19 bidder meeting specifications.

20 SEC. 2. Section 10516 of the Public Contract Code is amended  
21 to read:

22 10516. No officer or employee of the University of California  
23 shall engage in any employment, activity, or enterprise from which  
24 the officer or employee receives compensation or in which the  
25 officer or employee has a financial interest if that employment,  
26 activity, or enterprise is sponsored or funded, or sponsored and  
27 funded, by any university department through or by a university  
28 contract unless the employment, activity, or enterprise is within  
29 the course and scope of the officer's or employee's regular  
30 university employment. No officer or employee in the university

1 shall contract on his or her own individual behalf as an independent  
2 contractor with any university department to provide services or  
3 goods. This section shall not apply to officers or employees of the  
4 university with teaching or research responsibilities, *nor shall it*  
5 *apply to student employees for payment for additional campus*  
6 *activities or engagements outside of the scope of their primary*  
7 *university employment.*

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